

# SECTION 1

## CENTER OF EXCELLENCE – COSMETOLOGY

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### Cosmetology Center of Excellence (CCOE)

Taxpayer Education and Communication (TEC) of the Internal Revenue Service, established the Cosmetology Center of Excellence as a means of building a better understanding of the industry, and determining what could be done to improve compliance and reduce the tax-filing burden of stakeholders in the industry.

The CCOE works closely with industry associations to identify key income and employment tax issues and other concerns that impact the industry. The IRS has taken numerous actions to address these concerns, including meeting with major industry groups and state regulatory agencies, and providing educational products and services.

The products developed by the CCOE include:

- A comprehensive Cosmetology Curriculum ([Publication 4143](#)) and Instructor's Guide ([Publication 4143A](#)), *Learning the Art of Doing Business*. This curriculum addresses tax requirements and compliance issues. It is designed for students pursuing a career in the cosmetology industry; and for those who are seeking re-certification or license renewals. The design appeals to industry professionals, reflects their business practices, and uses terms commonly used in the industry. The curriculum has been marketed for inclusion in the required curriculum for all trade and vocational schools nationwide and to organizations that provide continued education for license renewals. It was developed in collaboration with industry leaders and has been very well received. Industry leaders, including the two major accreditation associations, have endorsed the curriculum. It is expected to reach 400,000 students yearly.
- Distribution of [Publication 4161, \*Federal Tax Guidelines for The Barber and Cosmetology Industry\*](#), a brochure developed by the CCOE in collaboration with industry leaders. This brochure is used as a stuffer for the state licensing agencies to advise taxpayers involved in the cosmetology/barber business, of their federal tax obligations. This publication is currently piloted in 11 states.
- Promotion of the CCOE portfolio of educational products on the Internet and Intranet web sites.
- Participation in Trade Shows for 2004 that are national in scope and present opportunities for educational presentations.
- Continued distribution of IRS materials to help the industry meet all federal tax requirements ([Publication 3518, \*Beauty Industry Federal Tax Guidelines\*](#), available in English and [Spanish](#)).
- Providing broad-based outreach education through industry magazines, organizations and web sites.

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- The CCOE outreach initiative is an ongoing pre-filing compliance program that includes numerous products and activities to help business owners and their employees voluntarily comply with the laws and regulations relating to tip reporting, information return reporting, worker classification and income reporting.

For more information visit the [Cosmetology](#) section on IRS.gov.